DEVELOPMENT SECRETARIAT

Sanctions the introduction of the Retiring Gratuity Scheme in the Mysore Iron and Steel Works, Bhadravati.

READ—

Correspondence ending with letter No. B. 131, dated 1st—2nd June 1953, from the Secretary, Board of Management, Mysore Iron and Steel Works, forwarding for sanction the resolution of the Board regarding the introduction of a scheme for payment of Retiring Gratuity to the employees of the Mysore Iron and Steel Works.

ORDER No. I. 1782-86—I.W. 33-51-12, DATED BANGALORE, THE 7TH SEPTEMBER 1953.

The question of introducing a scheme for the payment of Retiring Gratuity to the employees of the Mysore Iron and Steel Works was under consideration of the Works for some time past and the Board of Management after examining the same in detail recommended in their resolution dated 12th November 1950 that the scheme might be introduced for the benefit of the Works-employees both monthly and daily rated. It was also brought to notice that such a concession besides provident fund was being allowed in other important commercial concerns like Messrs. Tata Iron and Steel Company, Ltd., Messrs. Standard Vacuum Oil Company, Ltd., and Government Departments like the Electrical Department and the former Mysore State Railways. The scheme was also got examined by the Board of Management of Industrial Concerns who generally agreed with it and recommended its extension to all Government Industrial Concerns in the interest of uniformity of service benefits. The Convener, Board of Management of Industrial Concerns, has been asked to work out the details in respect of each concern under its control. Separate orders would be passed on receipt of these details. Questions and resolutions regarding the grant of this benefit to the employees of the Mysore Iron and Steel Works have also been raised on the floor of Legislature. The Board of Management of Mysore Iron and Steel Works and the Works Labour Association have been urging for its early sanction for some time. The chief features of the scheme as recommended by the Board of Management, Mysore Iron and Steel Works, are as under:—

(1) The scheme to be introduced in the Mysore Iron and Steel Works and made applicable to all employees including monthly and daily rated staff.

(2) The gratuity is payable in addition to provident fund benefit.

(3) The gratuity is to be calculated at half a month's salary or wages (substantive) based on the rate of salary or wages drawn by the employee at the time of his retirement, for every completed year of service, subject to a maximum of 15 months' salary or wages and limited to a maximum of Rs. 10,000 in each case.

(4) The scheme will be administered under a set of rules to be framed on the lines of the rules adopted by the former Mysore State Railways in this behalf.

(5) The scheme is to apply to all employees, early and future entrants, both monthly salaried and daily rated staff.

(6) The total cost of the scheme in respect of the Mysore Iron and Steel Works would be about Rs. 22·94 lakhs, payable on the retirement of the entire existing permanent employees for a period of 20 to 25 years including an approximate amount of 2·25 lakhs for payment during the period from 1950 to 1953.

(7) The average cost is estimated at Rs. 1 lakh per annum.

(8) The entire expenditure is to be met from "Operations", suitable provision being made in the annual budget of the Mysore Iron and Steel Works under "Salaries to Establishment and Labour."

This is one of the demands strongly urged by the Mysore Iron and Steel Works Labour Association and agreed to in the recent Industrial Truce entered into between the Management and the Labour Association for a period of three years.

Government consider that the proposed scheme is acceptable and it is expected that its introduction, while conferring substantial retirement benefits to the employees, will also prove an incentive to good work resulting in better production.

The introduction of the above scheme in the Mysore Iron and Steel Works, as recommended by the Board with effect from 12th November 1950 (the date of the original resolution of the Board), is accordingly sanctioned, suitable provisions for the purpose being made by the Works in their Budget for the current and future years.

The Secretary to the Board of Management, Mysore Iron and Steel Works, is requested to forward draft rules referred to at item 4 above for approval of Government.

R. J. REGO,
Secretary to Government,
Development Department.

HOME, FOREST AND AGRICULTURE SECRETARIAT

Records the Administration Report of the Stores Purchase Committee for the year 1952-53.

READ—

Letter No. S.P.C. 24109, dated the 14th August 1953, from the Secretary, Stores Purchase Committee, forwarding the Annual Report of work done by the Stores, Purchase Committee during the year 1952-53.

ORDER No. S.R. 3877-977—S.P.C. 7-53-4, DATED BANGALORE, THE 8TH SEPTEMBER 1953.

Recorded.

2. The total value of purchases of all kinds arranged by the Stores Purchase Committee both from firms in India and in foreign countries during the year under report was Rs. 1,77,79,447 (Rs. 2,25,11,596). The fluctuation in prices of almost all materials continued as in the previous year due to the armament and stock piling programmes of various countries.

3. Messrs. Best & Co., Ltd., Madras, continued as clearing and forwarding agents of Mysore during the year. The services rendered by them were satisfactory. The Trade Agent's Office in London continued to render assistance to the Stores Purchase Committee as usual.

4. The total tonnage of consignments imported and exported during the year was 5,178·5 tons and the total expenditure incurred was Rs. 15,75,839 (Rs. 27,71,278) including customs duty, landing charges, harbour dues, commission and other incidental charges for the transport of consignments to their respective destination. A refund of excess customs duty, etc., recovered from the Customs Authorities amounted to Rs. 1,89,192-11-0 (Rs. 2,30,892). A sum of Rs. 22,533 (Rs. 19,206) was realised on account of sale proceeds of the tender forms during the year.

5. The total expenditure of the Stores Purchase Committee including the contribution of Rs. 4,000 paid towards the Trade Agent's Office in London and the salaries and establishment and contingent charges of the Office of the Stores Purchase Committee amounted to Rs. 61,439, the incidence of cost being 0·34 per cent (0·21).

D. J. BALARAJ,
Secretary to Government,
Home, Forest and Agriculture Departments.